

STATE SENATOR • JIM BARCIA • 31ST DISTRICT

Barcia Press Release

P.O. Box 30036 • Lansing • Michigan • 48909-7536 • 517-373-1777 • Fax: 517-373-5871
E-mail: senjbarcia@senate.michigan.gov • www.senate.michigan.gov/dem/SD31



FOR IMMEDIATE RELEASE
October 1, 2003

CONTACT: Sen. Jim Barcia (D-Bay City)
(517) 373-1777

Senator Barcia Hosts Hearing on Health Insurance Tax Debate

(LANSING)—Testimony will be taken at a Senate Finance Committee hearing, hosted by Sen. Jim Barcia (D-Bay City), on a five-bill package aimed at phasing out all state taxes on employee health insurance. Business groups have voiced their strong support for this legislation which includes three Senate Bills – SBs 672-674; and two House Bills – HBs 5041 and 5042. If passed, this legislation would essentially exempt health insurance payments from the base of a company's Single Business Tax (SBT) calculation.

“By stripping the healthcare tax from the SBT, we allow our employers an opportunity to retain and create more jobs,” said Barcia. “With sky-rocketing healthcare costs and higher unemployment levels in this state, it is more critical than ever that we work to protect our labor force and the businesses that employ them. This legislation will go a long way toward restoring our state's economy by curtailing job loss, addressing the healthcare crisis and making our state more competitive.”

The leading sponsor of this legislation, Sen. Nancy Cassis (R-Novi), also serves as chair of the Finance Committee. “Michigan is one of only two states that impose a tax penalty on employers who supply health benefits to their workers,” Cassis said. “We ought to be encouraging businesses to fund healthcare packages for workers, not discouraging them with a capricious and arbitrary tax.”

The Senate Finance Committee will hear testimony from 10:00 am to 2:00 pm on Monday, October 6, 2003 at the Holiday Inn in Bay City, 501 Saginaw Street.

#####